

## STATEMENT OF KIRK THOMPSON On behalf of J.B. Hunt Transport Services, Inc.

My name is Kirk Thompson. I am the President of J.B. Hunt Transport Services, Inc. In my position, I am the Chief Executive Officer and I am intimately involved with the development of strategy and implementation and execution of the operations of the company including intermodal activities. Thank you for convening this hearing and giving J.B. Hunt and other shippers the opportunity to share our views regarding the implications of rail consolidations.

- J.B. Hunt Transport Services, Inc. along with its wholly owned subsidiaries is a diversified transportation services and logistics company. J.B. Hunt generated total revenues of more than \$2 billion in calendar year 1999. Included in this \$2 billion was more than \$650 million of freight which J.B. Hunt billed to customers, and at least a portion of the movement was handled by a railroad. J.B. Hunt paid seven different railroads approximately \$340 million during 1999 for purchased transportation services.
- J.B. Hunt has benefited from recent rail mergers and consolidations that are properly executed, and support future consolidations that are designed to create more competitive and efficient rail service provided such integration does not disrupt service. It has been our experience that consolidations can allow carriers to streamline operations, thereby reducing transit times and reducing costs. Further, the merger of Burlington Northern and Santa Fe was executed professionally and precisely. We were pleased with the results and did not suffer any transitionary service problems.

I understand that BNSF and CN are requesting authority to combine the two companies. J.B. Hunt supports this combination, as a combined BNSF/CN will create a rail network that offers significant opportunities for service improvements and efficiencies. The seamless service created by recent combinations has increased the amount of J.B. Hunt's business that moves by rail rather than over the highways and a BNSF/CN combination will increase the likelihood that more truck traffic may shift to intermodal service.

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